



POSTAL SERVICE

39 CFR Part 111

New Standards to Enhance Business Reply Mail (BRM) Visibility

AGENCY: Postal Service™.

ACTION: Proposed rule.

SUMMARY: The Postal Service proposes to revise *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM®) to require the use of an Intelligent Mail® package barcode (IMpb) on Business Reply Mail® (BRM) labels intended for use on cartons, parcel-shaped items, or Priority Mail® items of any shape.

DATES: Submit comments on or before [INSERT DATE 30 DAYS FROM DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Mail or deliver written comments to the manager, product Classification, U.S. Postal Service, 475 L'Enfant Plaza SW, Room 4446, Washington, DC 20260-5015. You may inspect and photocopy all written comments at USPS® Headquarters Library, 475 L'Enfant Plaza SW, 11th Floor North, Washington, D.C., by appointment only, between 9 a.m. and 4 p.m., Monday through Friday by calling 202-268-2906 in advance. E-mail comments, containing the name and address of the commenter, may be sent to: ProductClassification@usps.gov, with a subject line of "BRM Visibility." Faxed comments are not accepted.

FOR FURTHER INFORMATION CONTACT: Juliaann Hess at 202-268-7663, John F. Rosato at 202-268-8597, or Suzanne Newman at 202-695-0550.

SUPPLEMENTARY INFORMATION: The Postal Service continues to enhance its operational capability to scan IMpb, encoded with routing and tracking information, via automated mail processing equipment and Intelligent Mail scanning devices and to provide tracking information to the mailers. Full implementation of the Postal Service's package strategy relies on the availability of piece-level information provided through the widespread use of IMpb. Mailing standards recently added to the DMM now require the use of IMpb on all commercial parcels (except parcels paid for using BRM service). The Postal Service now advances its package strategy by requiring a unique IMpb on cartons, parcel-shaped items, or Priority Mail pieces of any shape, sent using BRM service.

Background: On December 18, 2013, the Postal Service published a final rule in the *Federal Register* (78 FR 76548) announcing that an IMpb, unique to each mailpiece, would be required on all commercial parcels, effective January 26, 2014. At that time the Postal Service also announced that it would be eliminating the option for any mailpiece meeting the physical characteristics of a parcel (under DMM 201) to pay for postage using Business Reply Mail® (BRM).

In response to mailer feedback, on June 5, 2014, the Postal Service published a *Federal Register* notice (79 FR 32490) indefinitely deferring the elimination of the option to use BRM to pay postage for parcel-shaped items. At that time the Postal Service also indicated that it expected to issue proposed rules requiring the use of an IMpb on certain BRM cartons and labels.

In accordance with its previously expressed intent, the Postal Service now issues proposed rules for requiring the use of an IMpb on BRM cartons, parcels, and Priority Mail items of any shape.

General IMpb Requirements: Technical and general specifications for IMpb use are provided in Publication 199, *Intelligent Mail Package Barcode (IMpb) Implementation Guide for: Confirmation Services and Electronic Verification System (eVS) Mailers*, and DMM 708.5.1.

BRM: In order to ensure that parcel-shaped items sent using BRM service comply with the same standards as all other commercial parcels, the Postal Service would require a unique IMpb on:

- a. All BRM cartons.
- b. All BRM labels distributed with the intent of being placed on an item meeting the physical characteristics of a parcel in DMM 201.
- c. All BRM labels distributed with the intent of being placed on Priority Mail items of any shape.

For the purposes of this requirement, a BRM carton is defined as a parcel-shaped mailpiece with a BRM label either printed directly on the mailpiece or affixed by the end user prior to mailing. BRM permit holders would not be required to submit shipping manifests to support these mailpieces. BRM labels would be required to use a unique Mailer ID (MID) for parcel-shaped BRM pieces and a concatenated IMpb construct that includes the ZIP+4[®] routing code. The barcodes must be unique for 180 days. BRM cartons and parcels shall use IMpb service type codes for Merchandise Return Service for Priority Mail or First-Class Mail[®], based on the product shipped. The Postal Service will provide an

exception process — for mailers of small BRM cartons and parcels lacking sufficient label space to apply an IMpb barcode meeting the $\frac{3}{4}$ -inch height requirement — to submit barcodes of at least $\frac{1}{2}$ -inch in height for USPS® testing and approval. This exception process will be administered by the National Customer Service Center (NCSC), as part of the normal barcode approval process. At this time, no other changes would be made to the BRM requirements in DMM 505.1 applicable to all other mail shapes.

Noncompliant Mailpieces: The Postal Service would assess a per-piece price adjustment on all noncompliant pieces. The Postal Service would begin enforcement of the per piece price adjustment for Priority Mail pieces once final rules are issued. The proposed effective date for the per-piece adjustment on First-Class Mail pieces would be predicated on the Postal Service filing a notice with, and receiving approval from, the Postal Regulatory Commission.

List of Subjects in 39 CFR Part 111

Administrative practice and procedure, Postal Service.

Although we are exempt from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b), (c)) regarding proposed rulemaking by 39 U.S.C. 410(a), we invite public comments on the following proposed revisions to *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1. Accordingly, 39 CFR part 111 is proposed to be amended as follows:

PART 111 — [AMENDED]

1. The authority citation for 39 CFR part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 13 U.S.C. 301-307; 18 U.S.C. 1692-1737; 39 U.S.C. 101, 401, 403, 404, 414, 416, 3001-3011, 3201-3219, 3403-3406, 3621, 3622, 3626, 3632, 3633, and 5001.

2. Revise the following sections of *Mailing Standards of the United States Postal Service*, Domestic Mail Manual (DMM), as follows:

Mailing Standards of the United States Postal Service, Domestic Mail Manual (DMM)

* * * * *

505 Return Services

1.0 Business Reply Mail (BRM)

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1.4 General Information

1.4.1 Description

[Insert a new fourth sentence in 1.4.1 to read as follows:]

* * * All BRM labels intended for use on cartons, mailpieces meeting the physical characteristics of a parcel in DMM 201, or a Priority Mail item of any shape, must meet the standards under 1.7.10. * * *

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1.7 Mailpiece Characteristics

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[Insert new 1.7.10 to read as follows:]

1.7.10 Labels for Parcels

BRM labels intended for use on cartons, mailpieces meeting the physical standards of a parcel under DMM 201, or a Priority Mail item of any shape, must

also bear an IMpb prepared under 708.5.0 and meet the technical standards in the Parcel Labeling Guide available on *RIBBS*.

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1.8 Format Elements

1.8.1 General

[Revise the text of the first and second sentences of 1.8.1 to read as follows:]

Except for BRM labels for parcels as provided under 1.7.10, all pieces of BRM are subject to these format elements. For all other BRM pieces, an Intelligent Mail barcode (IMb) is not required, except for QBRM prices; if an IMb is used, it must be printed and placed as provided under 1.9 and as shown in Exhibit

1.8.1. * * *

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We will publish an appropriate amendment to 39 CFR part 111 to reflect these changes if our proposal is adopted.

Stanley F. Mires,

Attorney, Federal Requirements.

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